

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

OFFICE OF THE CLERK

RESPONSES OF NATIONAL NEWSPAPER ASSOCIATION
WITNESS MAX HEATH TO INTERROGATORIES OF THE
UNITED STATES POSTAL SERVICE
(USPS/NNA-T1-57)

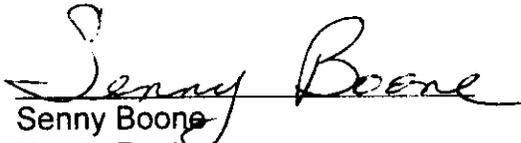
The National Newspaper Association ("NNA") hereby provides the following responses of NNA Witness Heath to interrogatories of the USPS: USPS/NNA-T1-57.

Each interrogatory is stated verbatim and is followed by the answer.

Respectfully submitted,

NATIONAL NEWSPAPER ASSOCIATION

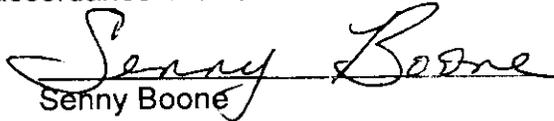
By its attorneys:


Senny Boone
Tonda Rush

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

February 20, 1998


Senny Boone

USPS/NNA-T1-57. In response to USPS/NNA-T1-15, you provided a list of Landmark Community Newspapers, Inc., with circulation figures, for September, 1997.

- a. Does Landmark Community Newspapers, Inc. know generally how its mailings are prepared and how that preparation has changed for each of the last ten years? If so, please explain fully.
- b. Does Landmark Community Newspapers, Inc. have any general information about its mailings which would indicate, by year, the changes in make-up such as changes in average bundle size, changes in containerization, and the average number of bundles and pieces per container? If so, please explain fully.
- c. Does Landmark Community Newspapers, Inc. have any information about its mailings which would indicate in percentage terms, what savings, if any, it has experienced in its mail preparation costs (excluding postage) due to changes in the make-up of its mailings? If so, please explain fully.
- d. Even if a percentage cannot be calculated for such savings, as requested in subpart (c) above, please indicate whether or not Landmark Community Newspapers, Inc. has experienced savings.

RESPONSES:

a. LCNI newspapers are generally prepared to the finest possible sort, bundled and entered at the local entry office. In some cases, exceptional dispatch is used for better service. Preparation has changed over the years to prepare mail more finely, to improve address hygiene, to attempt to claim every available discount and to comply with the documentation and sortation changes required by the Postal Service, including changes implemented as a result of Docket MC95-1.

b. I have no specific information in response to this question, but I can note that I believe bundle size may have declined slightly, but not significantly, in recent years as presorting has increased. Containerization has not changed, in that most LCNI mail is prepared in bundles and sacks. No trays or pallets have been used over this period. As to the average number

of pieces and bundles per container, I also have no hard data, but I can attest that LCNI newspapers have taken advantage of the ability to prepare sacks with fewer than required minimum pieces in those circumstances where service has been poor and the newspaper circulation manager believes smaller sacks will improve delivery to subscribers.

c. I am not sure I understand the question. If the intent is to inquire about whether mail preparation has become less costly to mailers over the past 10 years, my response would have to be that preparation has been more costly. LCNI newspapers have been required to adjust to the need for exceptional dispatch to improve delivery, to invest in PAVE certified documentation programs and to keep pace with shifting USPS requirements for CASS/CRIS preparations. As LCNI newspapers absorb more work in order to achieve best-available service levels and in order to comply with periodicals mail requirements in the Domestic Mail Manual, costs have increased. We have not attempted to measure how much of an increase would be involved, but if we were to do so, we would need to factor in significant training time in the use of new software, additional personnel time in adjusting the newspapers' systems to USPS requirements and time devoted to additional paperwork as systems have changed to adjust to such things as exceptional dispatch.

d. See response to c.